

## **REMARKS**

In the Official Action mailed on **20 March 2008**, the Examiner reviewed claims 1-40. Examiner rejected claims 1-40 under 35 U.S.C. § 103(a) based on Maritzen et al. (U.S. Patent No. 5,987,429, hereinafter “Maritzen”), and Bross et al. (U.S. Pub. No. 2003/0105687, hereinafter “Bross”).

### **Interview Summary**

Applicant and Examiner discussed Maritzen as applied to claim 1 of the instant application on October 20, 2008.

Applicant pointed out to the Examiner that, in the system of Maritzen, a search is performed through a hierarchy of rules that are in the database, and this evaluation **proceeds successively through the hierarchy**. In contrast, in embodiments of the present invention, when a tax rule **fails to evaluate** successfully, **only then** the additional rules are evaluated, and this evaluation proceeds in the order of precedence specified for the additional rules. Applicant submitted that incorporating limitations from dependent claims 3-4 into the independent claims should be able to overcome the rejection. Examiner noted that the claim language as it currently stood did not reflect this notion clearly, and recommended amending the claims to better overcome the cited prior art.

### **Rejections under 35 U.S.C. § 103(a)**

Examiner rejected claims 1-40 under 35 U.S.C. § 103(a) based on Maritzen and Bross. Applicant respectfully disagrees.

Applicant respectfully submits that in embodiments of the present invention, when none of the sets of conditions are satisfied for a set of attributes, and **a tax rule is deemed to have not evaluated successfully**, then the system attempts to evaluate alternate tax rules (see paragraph [0009] and Figure 12 in the

instant application). Thus, in Figure 12 of the instant application, the step sequence of 1206 > 1207 > 1208 > 1210 > 1214 > 1212 > end occurs when a tax rule evaluates successfully, and this results in reaching the end of the method – no further rule evaluation is performed. When the tax rule does not evaluate successfully, then additional tax rules are evaluated in an order that is based upon a specified precedence ordering. The precedence ordering is explicitly specified (see paragraphs [0009] and [00127] and Figures 10 and 12 of the instant application).

The above limitation is expressed in dependent claims 3-4 as well as 23-24 in the instant application. Applicant respectfully notes that, with regard to dependent claims 3-4, the Examiner has asserted the following (see items 12 and 13 of the office action dated 8/21/2008):

- (i) Maritzen discloses a method wherein if the tax rule does not apply to the transaction, and additional tax rules exist, the system of Maritzen attempts to apply the next tax rule in the order of precedence in Figures 4-5.
- (ii) Maritzen discloses that the additional rules are applied in a sequence determined by the precedence ordering of the additional tax rules in Figures 2, 4-5.

Applicant respectfully disagrees. Specifically, in Figure 2, Maritzen discloses that the system searches through a hierarchy of rules entered into the database, and evaluation **proceeds successively through the hierarchy of rules** (see Maritzen, Figure 2, step 104, col. 6, lines 40-51), and evaluates each one that applies (see Maritzen, Figure 2, step 105). In Figure 5, Maritzen discloses that each of a set of rules in the rule base is evaluated **one by one**, whenever there are more tax rules present (see Maritzen, conditional step 118 of Figure 5). In Figure 4, Maritzen discloses that the database contains a tax/fee rules database as well as

an “other fee” database. The “other fee” database contains other fees other than taxes such as contractual fee rules (see Maritzen, col. 6, lines 1-9).

Applicant respectfully points out that in embodiments of the present invention, when a tax rule **fails to evaluate** successfully, **only then** the additional rules are evaluated based on a certain predefined precedence. In contrast, nowhere in the system of Maritzen, does it either specify or imply that when a tax rule fails to evaluate successfully, only then additional rules are evaluated in an established order of precedence.

Accordingly, Applicant has amended independent claims 1 and 21 to clarify that when the evaluated tax rule does not apply to the transaction and additional tax rules exist, the method further comprises attempting to apply the next tax rule in a specified order of precedence. These amendments find support in paragraphs [0009] and [000127], as well as Figures 10 and 12, of the instant application. Dependent claims 3-4, and 23-24 have been canceled. Claims 21-22, and 25-40 have been amended to correctly reflect the dependencies. No new matter has been added.

Hence, Applicant respectfully submits that independent claims 1 and 21 as presently amended are in condition for allowance. Applicant also submits that claims 2 and 5-20, which depend upon claim 1 and claims 22 and 25-40, which depend upon claim 21, are for the same reasons in condition for allowance and for reasons of the unique combinations recited in such claims.

## **CONCLUSION**

It is submitted that the application is presently in form for allowance.  
Such action is respectfully requested.

Respectfully submitted,

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